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A FAITH FOR MODERN MANAGEMENT

A SYMPOSIUM

The dilemma of a modern manager as seen by William H. Whyte, Jr., in his book The Organization Man apparently is:

... the clash between the individualistic beliefs he is supposed to follow and the collective life he actually lives—and his search for a faith to bridge the gap.

Contributors to this symposium were asked to focus their attention on the question:

**WHAT IS OR SHOULD BE THE NATURE OF THE "FAITH" SUBSCRIBED TO
BY MODERN MANAGEMENT?**

**Ayn Rand, Author of
Atlas Shrugged**

The modern businessman needs a new philosophy of life and a new code of morality—a morality based on reason and self-interest.

The "Protestant Ethic," as described in *The Organization Man*, was not a philosophical code of morality. It was a popular make-shift, a bootleg set of rules for "practical" action—and, from the start, it was fighting a losing war against the official morality of the Judaic-Christian tradition: the morality of altruism, mysticism, and self-immolation to the welfare of others. Capitalism is incompatible with the morality of altruism—and what we are seeing now is the last stage of their conflict.

The world crisis of our age is the result, the climax and the dead-end of the altruist code. Businessmen—and wider: all men of ability—are its first victims. When *need*, rather than achievement, is regarded as a primary moral claim, it is not the "meek" but the *mediocre* who inherit the earth.

The source of the disaster lies in our modern philosophy. The essence of Pragmatism, Positivism, Scientism and all the rest of the neo-mystic, Platonic schools of non-thought, is a single basic theory: that man's mind is impotent, that reason is an illusion and that objective reality does not exist, or, if it does, man has no power ever to perceive it. If you regard this as harmless, academic speculation, take a look at the pages of *The Organization Man* and you will see that the miserable little socialized, self-abnegating mediocrities described by Mr. Whyte are the exact, practical realization of

those philosophical theories. After years of being battered, in school and college, with the question: "Who are you to know?", the average young man will regard himself as a helpless zombie and will seek obedience to the group as his only road to safety. The next and final step is for Communist Russia—or any other consistent exponent of an anti-mind, anti-self philosophy—to take him over.

If the American businessman has had a tendency to be anti-intellectual, it is the above kind of philosophers who have made him so. He knew that one cannot live by such philosophies and he committed the tragic error of attempting to live without *any* philosophy. This is his greatest mistake: that he regards as intellectuals men whose sole claim to the title is their denial of the intellect.

What we need now is a union of the intellectual and the businessman. We need a *new type of intellectuals*, men who are thinkers, men not of some super-reality, but of this earth—in short, Aristotelians. Platonism, in one version or another, was the philosophy of all the dark ages and of all the collectivist dictatorships in history. Aristotelianism was the father of the Renaissance, of the

CONTENTS	Page
A Faith for Modern Management	1
Atlanta Business Activity	8, 9
How to Develop Creativity in Sales Personnel	10
The Southeastern Corner	12

Industrial Revolution, of science, of individualism, of capitalism and of the United States.

If the real businessmen—the first-raters—will give one hour of their eighteen-hour work-day to consider the nature and the power of philosophy, they will see that the base is being cut from under their feet, that the rest of their time—as well as most of their public speeches—is given to the support, the financing and the glorification of their own destroyers. Then let them challenge the reign of entrenched mediocrity. Let them stop preaching their enemy's creed. Let them stop apologizing for their ability and their success. Let them stop seeking the collectivist sanction of "public service." Let them proclaim their *moral* right to exist and to earn a profit.

In short, let them check their philosophical premises—and their Public Relations Departments.

* * * *

**Keith Davis, Professor of Management,
Indiana University; and Editor,
McGraw-Hill Series in Management**

The broad question of modern management's faith concerns in some way everything which management does. The discussion which follows is limited to two aspects of that faith: (1) emphasis upon man and his dignity more than the materials he makes or the machines he uses, and (2) faith in ultimate ethical and spiritual goals. Each point is related to the other, because if man has no spiritual nature nor ultimate purpose, there is little need to accord him status above the machines on which he labors.

Critics of American business label it as materialistic. In order to examine their charges intelligently, we must understand how *they* reach this conclusion. They reason that business management's whole emphasis is upon making economic goods and services for consumption. Since consumption is selfish and uses up goods, it is materialistic.

What faith *should* we have and use in answering charges of materialism? It is true that society created business to supply it with goods and services. This is the *immediate* objective of business. But we do, and we should, have a greater goal and faith than that. Consumption of economic goods and services is only a means to an end, in the same way that an automobile's consumption of gasoline is a means toward accomplishment of some travel goal. Business provides society with the resources to pursue its more ultimate goals beyond consumption, whatever they may be in each Age. Business gives man consumable things, so that he may pursue knowledge, wisdom, and spiritual goals. It frees him from economic want so that he may seek satisfaction of his social, psychological, and spiritual wants. This, then, is management's ultimate purpose: *to develop men to their fullest potential and dignity, by providing optimum con-*

ditions for their growth. This is a human approach to management, rather than an economic one. It properly places the human ends above the economic means. This kind of faith will get goods produced and distributed, but it will not be labeled "materialistic."

It is my personal conviction that business as we know it—the free enterprise system—will eventually stand or fall not on the basis of its amazing ability to produce and distribute (i.e., its immediate objective), but on the basis of how it relates this economic productivity to the ultimate ends of the human race. Even a tenfold increase in productivity will not gain international respect unless the whole business process can be integrated with the social-psychological-spiritual needs of man.

One further point is necessary to make this framework clear. It is that man's economic, social, psychological, and spiritual wants are all bound together in man as a unit. He is a *whole man*. Hence we cannot emphasize just the economic side of production and distribution. The worker *on the job* has social-psychological-spiritual needs which must be met. Economic production pursued as the sole objective may actually be destructive of the whole man, as evidenced by recent critical comments on assembly lines, automation, and organization men. Management's faith should evidence concern for human wants of men as producers as well as their needs as consumers.

This faith is merely a form of humanism unless

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the spiritual side of man is fully recognized. Managers who believe in a Supreme Being themselves probably find it easier to accept this business faith, because they believe in the dignity and integrity of each person as a creature of God.

The faith I have been describing is frequently found in top-management ranks. Top managers have acquired the maturity and wisdom to recognize ultimate values. However, younger managers are frequently deficient here. Thus we find the curious phenomenon that managers achieve their management faith at the end of their business career, but their desperate need is for faith in the beginning. This difference is especially obvious in young college graduates. I have observed hundreds of them ready to enter business, but without any understanding of management or faith in its social role. To develop as managers, they and their counterparts in business need this modern management faith. Can we get it to them?

* * * *

*William G. Scott, Associate Professor,
Department of Management,
Georgia State College of Business Administration*

The quest for social solidarity *with* individualism creates a dilemma for a maturing industrial democracy. Therefore, the postulate that managers in the United States are caught in a conflict between the ideologies of the social ethic and the ethic of individualism is no great revelation. Indeed, it is inevitable that they should be.

The need for a faith "to bridge the gap" between the two competing systems of thought is another matter entirely. A faith can be considered variously—as a self-evident doctrine with no need of proof or as a set of values accepted on authority. Within the theme of this symposium, faith could easily mean a conviction about the truth of certain values which would be subscribed to by the bulk of people in management positions. Thus, faith and dogma are interchangeable in this context.

The nature of a management faith could espouse values at either end of the ideological spectrum—the individualistic ethic or the social ethic. More logically, and particularly if this faith is to “bridge a gap,” a management dogma would probably involve a reconciliation or compromise of the extremes just mentioned.

But all of this speculation is quite sterile. The evolution of a nice bit of machine-tooled philosophy which will be accepted by the majority of American managers as gospel is highly unlikely. Further, a faith would be undesirable because it would generate a good deal of "likemindedness" and perhaps even "class consciousness" among managers.

Those who worry about conformity in our society should be greatly concerned about any philosophic trend which might produce an elite class of managers. A generally accepted faith **would tend to do**

this very thing. If anything is inhibiting Burnham's managerial revolution, it is the lack of a dogma around which managers can rally.

The social and cultural history of man is filled with examples of conflicting ideologies. Many "golden ages" of history are characterized by cross-currents of philosophical speculation and opposing value systems. All this leads to the observation that in the world of management a pluralism of belief and practice is tenable and desirable.

Some have pointed out that the best which can be hoped for from pluralism is conflict within and between organizations. Oneness, they say, creates harmony. But with oneness, flabbiness and decay may also come. Conflict, however, appears symptomatic and necessary in a dynamic society. Yet, conflict may bring frustrations and disorganization with it. So it would seem that either oneness or conflict carried too far would be pathological.

Hence, it becomes impossible to say that an ethic of individualism (which supposedly breeds conflict) or a social ethic (which supposedly breeds oneness) is either all good or all bad. Yet, in the realm of business literature, the writers of a number of novels and nonfiction works would have us believe that it is a manager's obligation to make a black or white choice between these two ethics.

The "gray shades" in many circumstances may be far more appropriate. In the end, the solution to the problem of faith lies with the individual. *Managers have the obligation to work out their own set of business values* on two bases. The first basis is deriving values that will square with their general philosophy of life. The second basis is setting values that will work best in the organization from the standpoint of its internal soundness and its external survival. The acceptance or rejection of *this* obligation is a far more important issue than the establishment of a universally acceptable faith.

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**Lyndall F. Urwick, Chairman,
Urwick, Orr and Partners, Ltd.,
London, England**

"History records more frequent and more spectacular instances of the triumph of imbecile institutions over life and culture, than of peoples who have by force of instinctive insight saved themselves alive out of a desperately precarious institutional situation, such, for instance, as now faces the peoples of Christendom."

That sombre passage was written by Thorstein Veblen in March 1914. Since it was written our civilization has experienced two immensely destructive world wars and appears to be imminently threatened by a third. Nor is the reason for this crisis in our human culture obscure. It is directly due to our failure to adapt our political and social thinking and institutions to the dominant rationality

which now characterizes our handling of material problems and our control over our environment. In the words of the late Professor Elton Mayo, "If our social skills (that is, our ability to secure cooperation between people) had advanced step by step with our technical skills, there would not have been another European war."¹

In this race between rational insight in social and political affairs and a disaster which may be so widespread and devastating that it may spell the end of the human adventure altogether, the business manager occupies a critical position, because it is in industry, transport, and communications that scientific method had its initial and most disturbing impact extending to the whole range of economic life. In economic matters the managers at all levels occupy positions of leadership. We speak sometimes as though the Industrial Revolution were an historic event, something that is over and done with. The Industrial Revolution is still with us. Its most important technological consequences are still to come. The imperatives it must exercise on our ideas of how to cooperate effectively are as yet scarcely imagined.

That they are imperatives is not generally recognized. Man is only master of his fate within the limitations imposed by the conditions which he himself has created. If he wishes to provide for his material necessities by using modern science, and particularly power-driven machinery, then he must obey the natural laws which govern the effective use of machinery. He cannot make a stalled automobile start again by kissing its radiator or kicking its differential. He has got to understand how it works. In the same way if he wishes to make an up-to-date plant, which is an arrangement of machines, work effectively, he has to base his ideas for human cooperation in that plant on the principles governing the most economical utilization of that arrangement of machines. It is useless for him to try to apply to such problems political or economic or social theories or customs dating from a pre-machine age; they have no reference.

It is this fact which constitutes the challenge to the business manager in the twentieth century. Within fairly narrow limits no leader can move faster than the social attitudes of his group will permit him to move. Men demand of economic activity, not only a satisfactory economic result, but that this result should be secured within a satisfactory social setting, which, in almost all instances, connotes an accustomed social setting. But in a period of rapid technological revolution there is no time for the social groups of department, plant, or undertaking to develop the instinctive wisdom which, in the past, enabled them to absorb change gradually, while maintaining social stability.

If the manager goes too fast, he will lose contact

with and the support of his group. They will lose confidence in him, develop sentiments of antagonism and, ultimately, reject him altogether. If he moves too slowly, technological change will overtake the practices of the undertaking and, in a competitive economy, it will go bankrupt. This is a problem new to human experience.

"Never before have large numbers of men been required to guard their society by means of an explicit social understanding; for never before has a complex society dedicated its energies to unending technological progress."²

It also constitutes the paradox of modern business leadership. For the leader must at the same time do two, apparently opposing, things. He must cherish his faithful administrators, the men of order and tidy routine, the men who "fit-in"—Mr. W. H. Whyte's "Organization Men." "No high quality avails, where the rule of order fails."³ Without them he will not get out this week's production. But, at the same time, he must protect from their just wrath his individualists, his originals, his lunatics—the men to whom order is anathema and an established routine a challenge to change it. He must reject many of their ideas at birth as impracticable without discouraging them from the labour of procreation. His "faithful administrators" will not have new ideas: they have a proclivity against harbouring irritant visitors. But once in a way one of his lunatics will have an idea which is not only novel but practicable. Without a fairly steady stream of new ideas his undertaking will lose tomorrow's market.

To walk this razoredge of conflicting claims upon him the manager must possess, above all other qualities, integrity—"the thing that makes people trust you."⁴ He must have the moral integrity which "puts the game above the prize,"⁵ which carries conviction to every man and woman in the undertaking that, whatever his human faults and limitations, his order of values is: first, the corporation and its purposes; second, the well-being of all those associated with him and, a long way last and least, himself and his ambitions. He must have the intellectual integrity to love the truth of fact above all considerations of temporary convenience and to seek it continuously and faithfully. Peter Drucker has written "The final proof of [management's] sincerity and seriousness is uncompromising emphasis on integrity of character." His book is a best seller.⁶ That fact is the finest possible augury for the future of American business.

* * * *

2. T. N. Whitehead, *Leadership in a Free Society* (London: Oxford University Press, 1936), p. 91.

3. "Ubi ordo deficit, nulla virtus sufficit."

4. Field-Marshal Sir William Slim.

5. The late Sir Henry Newbolt.

6. Peter F. Drucker, *The Practice of Management* (New York: Harper and Bros., 1954), p. 187.

1. Elton Mayo, *The Social Problems of an Industrial Civilization* (Boston: Harvard University, 1945), p. 33.

**Thomas L. Whisler, Associate Professor,
Industrial Relations,
University of Chicago**

The faith which should be subscribed to by the modern manager is, paradoxically, that *reason and not faith is the instrument upon which he may successfully rely to accomplish those things which society expects of him and to gain those rewards which society offers in return.* This statement is not, I think, an expression of the *scientism* which Whyte denounces in his book. Rather, it reflects the belief that business is an institution which faces a continuous problem of achievement of simple and clear-cut general goals; it is not an institution the function of which is to engage in the soul searching and philosophizing necessary to deciding what are good and worthy goals.

The goals of business are simple — the problems involved in achieving them complex. But the problems are formulable in varying degrees and amenable to rationalistic problem-solving procedures. The rules of the game of the enterprise economy are clearly designed to reward the successful problem-solver — not any particular ethic or faith.

Then, are Whyte's bogies — togetherness, belongingness, etc. — imaginary ones? No, not imaginary, just transitory. They have replaced other and older dogmas: the school of hard knocks, intuition, and probably many others which no historian has recorded for us. The real question is why these fads in faith should exist if business is basically rationalistic. I suggest that the answer is that faith appears where knowledge is nonexistent or nearly so. As knowledge continues to grow in management, the areas where faith is necessary or useful tend to diminish.

Let us turn from faith in general to a consideration of the peculiar and particular sets of contemporary beliefs which Whyte believes infest the business scene. These beliefs constitute an ethic — a loose sort of code concerned with interpersonal relations — and they flourish in the vast jungles of middle management which characterize the larger corporation. They reflect the internal problems of uncertainty, of lost, garbled, or manipulated communications, of vague and unreliable knowledge of individual performance and potential, of politics and power struggles, which seem inevitably to be associated with the middle management group. *The new beliefs are an attempt to substitute the power of the group, not for the individual (as Whyte argues), but for the boss.* The new slogans are useful in an attempt to escape from irresponsible authoritarianism, although it is an escape, perhaps, into another form of the same thing.

Unfortunately, in the middle management jungle, the clear rules of the game which guide management in its dealings with external forces — in buying, selling, relocating — are inapplicable to a large

degree. Our knowledge of rules which can be applied is meager and unsatisfactory. Hence, ethics and faith have been, in the past, topics of serious consideration.

For the manager in the corporation of the future, I believe that the picture will change. This change will not be the result of a revolt or a change of faith. It will be a vast organizational change whose source is a new and currently developing technology of information. The tools of rational decision making are being revolutionized. Mathematics, statistics, and the computer are the fundamental components of these tools.

A number of drastic organization changes may be anticipated as information technology develops. The most important from the standpoint of the present discussion will be a dramatic decline in the number of middle management jobs. Recentralization will thin out today's middle management jungle. The growth in power of top management and the increasing reliance on rational and abstract problem solving will result in a decline in the usefulness of internal politicking and in the search for the right slogan, the right ethic.

In the world of the future the Organization Man will be more a man and less an epithet. It is to him that I commend faith in reason.

* * * *

**John F. Mee, Professor and Chairman,
Department of Management,
Indiana University**

The elements of modern management seem to revolve around the knowledge, proficiencies, and attitudes possessed by the men and women who manage our American enterprises. For any modern manager, a knowledge of the American economy is useful; a proficiency in the management process is essential; and positive attitudes concerning life and the living are vital. Even though modern managers may possess these elements in high degree, faith of some nature must be present for long-run success and satisfaction. Faith provides the energy, drive, and motivation upon which managerial success is dependent.

Any inquiry into the faith of our American managers who have produced for us in this twentieth century over half of the world's wealth with less than seven per cent of the world's population, indicates that their faith embraces several components. The nature of the faith subscribed to by modern managers is:

1. Belief in Christianity and the western Christian tradition as evidenced by the circumstances of American history.
2. Confidence in American government and the American private enterprise system with free markets. The rewards of increasing productivity are shared with consumers through lower prices, with

workers by higher wages, with society by allocating a share of profits for innovations and for the improvement of facilities and equipment along with employee benefits.

3. Respect for human beings in employee and worker relationships. There is the strong belief that people are not instrumental values. People and human values are the end product of managerial efforts. Positive motivation prevails.

4. Belief in the mass market and the obligation to make the good things in life and higher standards of living and health available to the maximum number of people.

5. Fidelity to the concept that managers are accountable for their stewardship not only to owners, but also to employees, customers, vendors, and the public.

6. Belief in the benefits of innovation and experimentation. The search for better things or a better way takes preference over past practices and performances. Modern managers believe in social and economic progress.

7. Belief and confidence in themselves, the goals of their organizations, and their subordinates. Modern managers have faith that all associated with them will work and contribute toward the common goals of their enterprises. This confidence develops the capacities of people and permits delegation of authority which is essential to effective organization and control.

Modern managers are aware of the many problems present in their efforts to fuse the beliefs and desires of individuals with the goals of the organizations which require their collective labors and talents. The success of a manager is measured by his ability to accomplish desired results through the intelligent utilization of other people. Regardless of his technical knowledge, managerial skills, or general attitudes, he must have his faith to generate the energies for the successful realization of his goals and responsibilities.

A characteristic of the modern manager is his faith that greater goals and rewards may be realized through the cooperative talents and labors of many people in American enterprise than by a nation of shopkeepers, small farmers, and family production units in the homes. He has faith in his managerial ability to effect greater happiness through maximizing production and consumption by intelligently utilizing individuals in organization than the individuals concerned could enjoy by working alone in some economic activity. Without such a faith it is probable that the modern manager would not serve as a manager. He would be an individual entrepreneur since our form of government and type of economy provide a choice of vocation for those with the knowledge and skills who are able to survive as managers.

A strong case can be made for attributing the unusual growth of our economy to the faith of modern

managers within our favorable climate of government.

* * * *

**Eugene E. Jennings, Associate Professor,
Department of Personnel and Production
Administration, Michigan State University**

The clash between the individualistic beliefs that an executive today is supposed to follow and the collective life he actually lives is being resolved today much perhaps to the surprise of those who believe in the Organization Man thesis. The term I oftentimes use to show how this apparent dilemma is being bridged is the "mature autocrat."

Both observers and practitioners of business administration have assumed that there are certain executive practices which will consistently yield higher production and morale than is possible by following other practices. This particular assumption is followed by a growing body of knowledge to the effect that believing in the collectivity such as the group, firm, or committee is the most effective practice. At the same time one of the most difficult things to understand is the meaning of the collective approach, especially in terms of the business systems.⁷

That the collective approach is in its heyday is to be sure, but that it will last is to be doubted. The students of the collective approach have in the last twenty years been very successful in overthrowing previous individualistic concepts of executive leadership, and they have been very successful in getting their collective ideas of leadership acceptable and accepted by leading training and developmental experts. But in doing a very excellent job of overthrowing these individualistic concepts, they have failed to replace these with a definition or description that is commonly agreed upon by them, commonly understood by the executives themselves, and three, sufficiently motivating to these executives. The concept itself of a collective leader suggests that it cannot be defined in such a way as to

7. Perhaps if we, for the purpose of this symposium, define the opposite approach, namely individualistic, we can then use this approach to define its opposite, namely the collectivistic. In general, the individualistic approach in terms of executive practice means that a condition of dependency exists between the group members and a single person in which that person called leader, executive, or supervisor so behaves that he renders himself the key to all group action and eventually becomes indispensable. He keeps the group acting as individuals and on a personal basis with him and he remains, of course, separate from all others, thus retaining his individuality. This usually means in practice that communication is kept to the minimum of administrative necessity except insofar as it is through him and focussed upon him. Because he becomes and remains the focus of group attention, he is a firm believer in the indispensability of a good executive such as he tries to be himself.

In many respects the collectivistic approach is the direct opposite in that a state of desegregation rather than segregation exists among the group members of whom one is the executive. In other words, the individuals, including the executive, form a closely knit group in which the cohesion sometimes disguises who actually is running things. The leader seeks to evoke maximum participation and involvement of every group member in determining group activities and objectives and thus he so leads the group that the result of the group's efforts is not ascribable to his own virtues and superiority. It is a collective result. In short, the individualist recognizes the superiority of the individual over the group, especially with a minimum of participation, whereas the collectivist recognizes the superiority of the group over himself, especially with a maximum of participation.

appeal to the individual, and the present belief held by many social scientists that leadership is so much dependent upon the needs of the immediate situation and group is itself terribly frustrating to the individualistic mind. At the very present we are finding a negative reaction to the collective approach. Some executives are getting so bold as to denounce it as inefficient and immoral.

What is the way out of this predicament? My answer has been that the type of executive today needed is the *mature autocrat* — one who wants to run with the ball but who at the same time makes the team feel needed. He makes decisions, he controls and dominates individually and with emphasis on personal influence, but he does not arouse animosity. The chief technique of the mature autocrat is that he works behind the scenes and does not meet with groups insofar as he can avoid it; rather he picks them off one at a time as individuals. He is the decision-maker, but he does not arouse resentment and opposition because he does try to appear as though he works through people. He is, besides a maneuverer, a strategist who can walk around a question for some time until it is politically feasible to hit it head on.

In presenting this model of leadership to businessmen I have had considerable concurrence that the firm but quiet type is becoming increasingly necessary. It is probable that — although this view is not yet supported by research — there must be dominance of the majority by a few, and that these few must make decisions on behalf of themselves or the majority, or both, and that consultation with the majority is seldom feasible. What is feasible is that the few appear to be humanitarian, conscientious, and open-minded. They appear, in other words,

to be a collective and to have collective sincerity. They generate not necessarily love or hate, but respect and a little, but not too much, fear. They, however, do not consult any collectivity any more than is necessary to get acceptance; and, when they do, it is with other power individuals, by the way, who when allied with them will bring the advantages of their leadership.

That this mature autocrat concept represents a faith that will serve as a bridge between the individualistic and collectivistic ideals is somewhat questionable.⁸ Just because one has knowledge of the mature autocrat concept, it does not necessarily mean that a bridge is automatically placed between the individualistic and collectivistic ideals. This is to say the technical aspect of implementing such a bridge into specific ways and means has yet to be resolved; progress in this direction is being made.

I believe that the dilemma stated by Whyte is largely one that is oriented toward the immature executive or what might be called the immature individual in business. I have not found the typical executive indecisive, nor in a so-called dilemma between himself and the totality of which he is a part. For my part, this whole problem of the individual and the collective is one that has been conveniently described by Whyte but hardly one that can withstand empirical criticism. To repeat myself, it cannot withstand empirical support for the simple reason that the executive is not of the personality that can remain for a long time without this particular bridge.

8. I personally can see that it may not be a consciously known faith or belief but rather in most cases the indomitable expression of an inner dynamic personality drive; and, when it does appear to be a consciously expressed belief, it appears most often in the form of a rationalization about a particular personality trait that is inherent to most executives.

MANAGEMENT SPIRIT: CARBURETOR OF THE AMERICAN ECONOMY

Not technical factors, but rather social attitudes are mainly responsible for America's high rate of productivity, according to the French scholars, Fourastie and Laleuf.* "To increase productivity to its maximum, which is the only way of increasing purchasing power to its maximum, all factors of productivity must be augmented," say the authors of the study. "But these factors are innumerable. . . . Technical factors clearly have a large place in the list, and their link with the result is so direct that practical men tend to grant them preponderant weight. However, careful reflection leads one to think that, instead, it is cultural factors which are preponderant and that in the end nothing is less technical than the causes of technical progress."

"Thus the quiet revolution, as the authors have termed the rapid progress of industry in the West, has been a revolution in the attitude of the individual as employer, worker, consumer and citizen, in his concept of the world. The authors analyze the creative forces in the American economy which have carried forward this economic and social change, and they find that the essential quality of American enterprise is its creative spirit. *The pioneer spirit of management, as they put it, is the carburetor of the American economy.*"**

*The views of these authors are expressed in a book recently published for the Twentieth Century Fund: Jean Fourastie and Andre Laleuf, *Revolution A L'Ouest* (Presses Universitaires de France, 1957). Mr. Fourastie is a well known French economist and a faculty member of the Sorbonne. Mr. Laleuf, of the French Ministry of Finance, possesses a broad acquaintanceship with America, having traveled extensively in the United States studying various aspects of its economy. Mr. Laleuf made a special trip to the United States in connection with the writing of the book.

**"Revolution A L'Ouest," 1957 Annual Report, the Twentieth Century Fund, p. 18. Italics added in quotation.



JULY 1958

ATLANTA AREA ECONOMIC INDICATORS

ITEM	July 1958	June 1958	% Change	July 1957	% Change	% Change Seven Months '58 over Seven Months '57
EMPLOYMENT						
Job Insurance (Unemployment)						
Payments -----	\$871,571	\$824,470	+ 5.7	\$404,851	+115.3	+111.1
Job Insurance Claimants† -----	12,600	11,066	+13.9	6,791	+85.5	+108.9*
Total Non-Ag. Employment -----	337,800	337,150r	+ .2	346,850r	- 2.6	- 2.4*
Manufacturing Employment -----	76,400	76,200r	+ .3	85,900r	-11.1	-12.0*
Average Weekly Earnings,						
Factory Workers -----	\$79.59	\$77.42r	+ 2.8	\$72.54r	+ 9.7	+ 1.9*
Average Weekly Hours,						
Factory Workers -----	40.4	39.7r	+ 1.8	39.0r	+ 3.6	- .8*
Number Help Wanted Ads -----	6,849	6,931	-1.2	8,652	-20.8	-28.5
CONSTRUCTION						
Number of Building Permits§ -----	638	785	-18.7	716	-10.9	+ 1.0
Value of Building Permits§ -----	\$5,281,154	\$5,278,350	+ 0.1	\$4,361,353	+21.1	+64.9
Employees -----	23,100	22,150r	+ 4.3	20,150r	+14.6	+ 6.3*
FINANCIAL▲						
Bank Debits (Millions) -----	\$1,648.4	\$1,625.5	+ 1.4	\$1,720.1	- 4.2	+ 1.1
Bank Deposits (Millions)						
(Last Wednesday) -----	\$1,170.6	\$1,189.8	- 1.6	\$1,135.5	+ 3.1	+ 5.0**
POSTAL§						
Postal Receipts -----	\$1,259,936	\$1,373,745	- 8.3	\$1,307,283	- 3.6	+ 5.8
Poundage 2nd Class Mail -----	1,050,425	1,186,084	-11.4	1,198,030	-12.3	- 1.1
OTHER						
Department Store Sales Index						
(Adjusted 1947-49=100) -----	168	169	- 0.6	159	+ 5.7	+ 1.0†
Retail Food Price Index						
(1947-49=100) -----	119.1	119.2	- 0.1	114.7	+ 3.8	+ 3.8**
Number Telephones in Service ---	317,343	314,854	+ 0.8	300,574	+ 5.6	+ 5.4**

r—Revised

§City of Atlanta only.

†New series. Covers unemployed federal employees and unemployed veterans in addition to those covered by Georgia law. Claimants include both the unemployed and those with job attachments, but working short hours.

Sources: All data on employment, unemployment, hours, and earnings: Employment Security Agency, Georgia Department of Labor; Number Help Wanted Ads: Atlanta Newspapers, Inc.; Building permits data: Office of the Building Inspector, Atlanta, Georgia; Financial data: Board of Governors, Federal Reserve System; Postal data: Atlanta Post Office; Retail Food Price Index: U. S. Department of Labor; Department Store Sales Index: Federal Reserve Bank of Atlanta and Board of Governors, Federal Reserve System; Telephones in Service: Southern Bell Telephone and Telegraph Company.

*Average month

N. A.—Not available.

**End of period

▲ Data from members of the Federal Reserve System only.

†—Based on retail dollar amounts



ATLANTA BUSINESS ACTIVITY

The Atlanta economy registered slight gains in July over June to continue the recovery movement. Although the recession has not been severe in the Atlanta area, employment dropped rather sharply during the first four months of the year, with manufacturing accounting for most of the loss. In May, a slight rise in total employment was obscured by a strike involving 8,200 transportation equipment workers, but a small increase in total employment has occurred each month since that time. The rise is slow; nevertheless the improvement is real and, moreover, it is shared by nearly all industry segments.

During July, **claimants for job insurance** rose about 1,500, but dropped off sharply in August to 9,982—the lowest level of 1958. **Job insurance payments** rose about 6 per cent in July in spite of increased employment. The **number of help wanted ads** remained at about the same level as in June, up about 20 per cent from the low point of last April. **Manufacturing employment**, at 76,400, was up 200 from June, but still down 9,500 from July of 1957. The unemployment ratios in Atlanta are compared with the U. S. ratios in the accompanying table.

Average weekly hours of production workers rose to 40.4 in July, topping the 40 hour mark for the first time this year. In July average weekly earnings rose \$2.17 and were \$7.05 above July of last year.

Increased activity in construction continued to highlight business activity in the area. **Building permits** for construction valued at \$5,281,154 were issued during July, and in August the valuation was \$5,027,275. The **number of permits** issued in July was down almost 19 per cent from June, but rose again in August to 731. Over the years since 1955 the number of permits issued has drifted downward more sharply and more consistently than the value of issued permits. The number of permits for one-family dwelling units, which moved downward at about the same rate during this period, was ap-

parently a major factor in the direction of this movement. Home building fell off rather sharply in the middle of 1955, picked up for six months in the middle of 1956, and then continued the downward drift throughout 1957. The first eight months of 1958 have brought renewed activity to this important field, and the number of permits for one-family dwelling units has been fluctuating widely at a high level all of this year.

Employment in construction, which has risen sharply every month since February, reached 23,100 in July, the all-time high for the series. This was a 14.6 per cent increase over July 1957. Average employment for the year was up 6.3 per cent.

Department store sales reached a new all-time high in June, when the department store sales index stood at 169, and continued at this level in July with the index at 168.

UNEMPLOYMENT AS PER CENT OF TOTAL LABOR FORCE ATLANTA COMPARED WITH UNITED STATES

		Atlanta		United States
		No. Unemployed	% Labor Force	% Labor Force
1957	January	12,500	3.1	4.9
	February	13,950	3.5	4.7
	March	13,250	3.3	4.3
	April	11,800	2.9	4.0
	May	12,100	3.0	4.0
	June	14,200	3.5	4.8
	July	12,750	3.1	4.3
	August	12,850	3.2	3.8
	September	11,850	2.9	3.7
	October	12,900	3.2	3.7
	November	13,550	3.3	4.7
	December	15,650	3.8	5.0
1958	January	18,300	4.5	6.7
	February	21,250	5.2	7.7
	March	22,300	5.5	7.7
	April	22,450	5.6	7.5
	May	21,200	5.3	7.1
	June	23,000	5.7	7.7
	July	20,600	5.1	7.5

Source: Data from Employment Security Agency, Georgia Department of Labor; and Survey of Current Business.

HOW TO DEVELOP CREATIVITY IN SALES PERSONNEL

PART I — BUILDING CREATIVE SALES IMAGINATION

by

David J. Schwartz, Jr.*

THE NEED FOR CREATIVE SELLING

The need for creative selling is well expressed in the comments of one writer:

Creative selling holds a very definite place in our economy today, and it is the only power that can keep our economy strong, balanced, and capable of expanding to meet the new situations and new conditions that are developing with lightning rapidity. These new situations and new conditions will require new products and new services. Only the salesman can create the new markets necessary for their success.¹

An academician explains the productive and creative value of selling in this manner:

It is a misconception to believe that selling adds no value to the goods and services it markets or that it is a parasitic form of promotion. The other side of this spurious coin is that individuals engaged in production and agriculture are productive—that they **do** create utility.

The answer to this is that economic exchange is the heart or core of our economy. Consumption cannot be in vast amount without heavy buying, and heavy buying will not be done without extensive selling. Time-, place-, possession-, and information-utility can result directly from the activity of salesmen.²

"Creative" selling is usually described as effort on the part of a salesman that expands markets, finds new product applications, establishes a demand for new products, and in other ways expands sales for the company. Selling, to be creative, must be more than mere order-taking.

One example will illustrate the economic benefits of creative selling. Assume that Mr. Sales Engineer studies the productive operations of the XYZ Corporation. By careful investigation and coopera-

tion from his company's engineering staff, he discovers that installation of certain equipment would help the XYZ Corporation operate more efficiently. Mr. Sales Engineer now proceeds to explain why the XYZ Corporation needs this equipment and how it will contribute to its profit-making potential. Eventually, perhaps over a period of months or even years, the sale is made.

Now how has the economy benefited? Some of the benefits are:

1. The XYZ Corporation is now a more efficient manufacturer. That is, it can produce more with a given input of human and material resources.

2. The salesman's company now has an equipment order to fill. This means employment of workers, and employment of workers means income—income that will be spent on a host of consumer goods.

3. Manufacturers of consumer goods thus are able to provide more employment and income for their workers, which in turn sets off further buying and further production.

The total impact of one sale does not, of course, touch off a giant boom, but it **helps**. Much of the current economic recession is due to vastly decreased capital goods investment. According to McGraw-Hill Publishing Company, over half the machine tools now in U. S. factories are over 10 years old.³ Many business leaders suggest that creative and aggressive selling of plant modernization would do much to strengthen the economy.

The Salesman, Not the Sales Job, Determines Whether Selling is Creative

It is true, of course, that some selling jobs inherently provide more opportunity for creativity than do others. Selling conveyor equipment, to illustrate, affords more creative opportunity than selling meat to small food stores. It should not be inferred, however, that all conveyor belt selling is creative and all meat selling is mere order-taking. In practice, quite possibly there are some very creative meat salesmen and some order-taking in-

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Part II, "Motivating the Sales Force," will appear in a subsequent issue of *The Atlanta Economic Review*.

1. Earl Prevette, *The Power of Creative Selling* (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1954), p. 10.

2. C. A. Kirkpatrick, *Salesmanship, Helping Prospects Buy*, 2nd Ed. (Cincinnati: Southwest Publishing Company, 1956), p. 15.

3. *Business Week*, May 31, 1958, p. 93.

dustrial salesmen.

Actually, it is not the character of the sales job that determines whether selling is creative. **Rather, it's the man who is doing the selling that makes it creative or not creative.** While many salesmen calling on retail customers are order-takers, many more demonstrate real creativity when they devise ways—displays, special promotions, pricing techniques—to help the retailer sell more of the product and thereby buy more of it also.

Virtually all business executives recognize that much selling is creative—that it does contribute to a higher standard of living and to an expanding economy. What is of most interest to business executives, therefore, is not “Can selling be creative?” but rather **“How can we develop creative ability in salesmen?”** Two techniques are suggested. The first is to train salesmen to develop imagination, and the second concerns motivation of salesmen.

TRAIN SALESMEN TO DEVELOP IMAGINATION

Progressive sales managers realize that selling success depends more on the thinking ability of salesmen than on any other factor. A trained, alert, creative imagination is important to salesmen for three major reasons.

First, each sales situation is different. Customers differ, needs differ, buying circumstances differ. And these variables cannot always be controlled or anticipated. The selling point that convinced the last buyer may be useless in making the next sale. Techniques explained at yesterday's sales meeting may be of no value in selling some prospects but of great value in other situations. No sales training program can be planned that will explain precisely how to cover each of the hundreds of interviews salesmen conduct each year. When salesmen are confronted by new problems, new objections, new needs, new personalities, nothing can take the place of applied brainpower.

Second, the salesman must rely on himself for solutions to new situations. Salesmen usually work alone. When the salesman is in the middle of a sales presentation, he can't turn to his supervisor or a fellow salesman for assistance. He must develop solutions on his own. Salesmen must do most of their own brainstorming.

Third, the salesman cannot postpone action. In most cases he must provide answers, create ideas, help the prospect visualize his needs **right now.** Usually, there isn't time to meditate or ponder “How can I make this prospect realize his need?” or “What strategy will work best with this fellow?” **Much Sales Training Overemphasizes**

The “One Right Way”

Advocates of “scientific” sales management have often suggested that there is a “one right way” to make a sales presentation and all salesmen should

make it that way. This concept, popular for many years, has even appeared in several textbooks on sales management. At first thought the one right way approach may seem logical, but is it? Take time to review case histories of the most successful salesmen, and it will be seen that there are as many “best ways” to make a presentation as there are best salesmen. The top producers develop and practice techniques which work best for them.⁴

In practice, there seem to be as many best ways as there are creative minds. When the salesman is with Mr. Prospect, he must reflect maximum sincerity. If the salesman is overtrained in the “one way” to make sales, the chances are that what he says will come out cold and misdirected. The top producer develops his natural talents. He does not develop an approach which is foreign to his personality.

Certainly the salesman needs knowledge, facts, and the best possible training in applied selling technique. But he also needs training in how to make facts live, how to vitalize his own imagination, how to spark the imagination of his prospect.

Four Ways to Energize Sales Imagination

Here are four suggestions for improving the creative power of salesmen:

1. *Encourage the salesman to use his own judgment.* Train the salesman to rely on himself when he is selling. Train him to believe that he is the command pilot when he is with the prospect. Train him to destroy the feeling, “I wish my sales manager were here to help me,” that often crops up midway during the difficult interview. Give him the feeling that no one is looking over his shoulder, that he is obligated to select information which this particular prospect needs, and that it is his responsibility to visualize this information so that this particular prospect really **feels** his need.

2. *Train the salesman to visualize.* Train the salesman to see not only what is but what **can** be. To illustrate, ask the salesman to visualize phrases he uses every day, such as: “This will increase your efficiency,” “This product will accrue savings for you,” “You will really benefit from this.”

The point is clear. Much of the time salesmen are using words and phrases which carry little impact. Salesmen should convert mere words into concepts and ideas by way of concrete examples and down-to-earth facts which will genuinely awaken prospects. Much of our present-day sales vocabulary is, frankly, worn out. A good exercise in any sales training program is to ask salesmen to take each

(Continued on page 14)

4. Executives also find that success may be achieved through more than one technique. Mr. Crawford H. Greenewalt, president of E. I. du Pont de Nemours & Company, commenting about Du Pont's 34 top executives, said, “No two of them will approach a particular problem in quite the same way, and no one of them could do his job as well if he were required to do it according to some preconceived, generalized executive pattern.” (*Business Week*, May 10, 1958, p. 18.)

The Southeastern Corner

by
Warren A. Walker*

DOUGLAS, GEORGIA—METROPOLIS IN MICROCOSM

From time to time in previous articles of this series reference has been made to the advantages of city planning. It has also been suggested that this planning should not be approached with a view to the attraction of industry alone, but should instead be comprehensive in nature.

Last month we examined in some detail how a medium-sized city such as Winston-Salem can sometimes acquire expensive, but needed, facilities by cooperating with other nearby cities — as in this case the tri-cities airport. During a discussion of that article with a group of municipal officials prior to its publication, the question was raised — “Is this the minimum size of a city to which detailed planning can be applied?” The answer is an emphatic *no*.

In the case of Winston-Salem we were not referring to a comprehensive plan, but merely to a specialized aspect of city planning. This month we shall consider the application of comprehensive city planning to a city under 10,000 population. Douglas, Georgia, has a total population of about 8,200, and the entire four county trade area population is about 51,000. In a very short space of time this community developed a workable program for urban renewal that has received the favorable attention of students of city planning and economics throughout the country. (“Workable program” within this context has a rather specialized meaning, namely, “That program required by law, which must be presented to the Federal government in making application for certain types of Federal financial assistance made available to cities under the Housing Act of 1949 as amended.”) It was in compliance with this requirement that the present demonstration project evolved.

Background

In 1956 various citizens of Douglas became aware that certain areas of the city were in need of redevelopment, and research was begun as to the best method to proceed. Inquiry revealed that, under the Federal program previously mentioned, up to two-thirds of the net cost of clearing and redevelop-



ing was available from Federal funds. It was also discovered that in order to qualify for these funds it was necessary to have a workable program. At this point it was decided that perhaps the procedure used in qualifying under this program could be used as the basis of a demonstration project. In other words, how can a city under 25,000 meet the requirements of a workable program?

In order to qualify as having a workable program, the city must demonstrate that it has a sound and continuing program which includes at least the seven points enumerated below:

1. Codes and ordinances
2. A comprehensive community plan
3. Neighborhood analyses
4. Administrative organization
5. Financing
6. Housing for displaced families
7. Citizen participation

In the paragraphs that follow we shall examine, in such detail as the limitations of space permit, what conditions the city found to be true when the project was begun, and what they did to bring about the necessary compliance.

Codes and Ordinances

It was found that the city had no minimum housing code, and such ordinances as existed were conflicting and confusing; that, although a qualified engineer was the building inspector, he was paid too small a fee to allow him adequate time for inspections. The electrical code was found to be both comprehensive and well-enforced — partially because the city owned its own electrical distribution system and made inspections at the time of installation. The plumbing code was based on the antiquated idea of specifying materials rather than standards of performance.

A house-to-house survey was made which includ-

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ed every house in the city, and from this survey it was determined that much of the housing that would be called substandard stemmed from design rather than maintenance. Further, it was wisely decided that such new standards as would be put into effect should be realistic and enforceable, rather than be some ideal optimum. This point, in the opinion of the writer, is where some other cities have taken the wrong turn.

The next step was to examine the codes and ordinances of other cities of approximately the same size to determine what good features could be incorporated into the city's own revised code. The net result of these various steps brought rather sweeping changes.

In regard to the building code, the one-volume document known as the "Southern Building Code" was adopted. The minimum housing code is the model code prepared by the Tennessee State Planning Commission. Both of these codes have the advantages of being compact and easily administered, and in addition each was prepared specifically for climatic conditions in the southeastern United States.

The "Southeastern Underwriters Electrical Code" was already in effect and was retained because it is nationally recognized and was generally thought to be adequate in the foreseeable future.

The requirement for a revised and adequate plumbing code had already been solved by the adoption of the Southern Building Code, which includes standards of performance for plumbing installations.

Comprehensive Community Plan

Like many cities, Douglas found that a lot of different people and groups had a lot of different plans relating to a lot of different aspects for the growth and improvement of the city. There was a need for unification and coordination. In addition, it was found that really detailed information, such as the economic base of the area, the physical facilities, and population distribution, was almost nonexistent. There was not even a good map of the city. True, there were maps of a sort, but they were neither dependable nor detailed. Keep in mind that this type of situation is not unique — rather it is the *usual* situation in all but the very largest of cities.

A comprehensive community plan is not the type of project that the citizens of a community can do for themselves. City planning is a highly specialized and technical profession requiring a specialized educational background and experience. The city of Douglas retained a firm of consultants to assist at this point in the program.

During this period the missing information about the city was collected and organized into a useful whole. A detailed map suitable for planning was prepared. A detailed interview type of survey pro-

vided information as to age and income distribution of the population, length of residence, and related information. A land use plan was formulated, and specific plans relating to the central business district were determined. Subdivision regulations were drafted; and zoning ordinances, which were formerly piecemeal, were organized.

Finally, all the buildings in the city were divided into four classifications: conservation areas, rehabilitation areas, transition areas, and areas for redevelopment or blighted areas. This procedure helped to provide a course of action both as the extent of the work to be done and priority in point of time.

Administrative Organization

Douglas had a good city government of the city manager type. The only function that was at all unusual was the fact that the city had its own electrical distribution system. Most of the changes in city government found desirable were in the area of code enforcement, and to insure that city planning would remain an integral function of the city government. The former part-time position of building inspector was changed to a full-time position with additional responsibilities during the periods that urban renewal operations were actually in progress. A director of urban renewal was appointed, and a seven-man City Planning Commission was set up. These changes appeared to be all that were necessary for the proper continuation of the program.

Financing

Unlike many cities of its size, Douglas was in a very solvent financial condition at the time the program was begun, which simplified the matter somewhat. The city-owned and operated electrical and water systems were well-managed and provided considerable revenue. The ad valorem tax rate was only nine mills, and the bonding capacity of the city had never been used beyond about one-third of the legal limit. No operating budget had ever been established, for, although it was recognized that it would probably be a good thing, the need was not pressing.

Even under these rather favorable conditions, care was taken not to engage in a program larger than the city's ability to pay. Steps were taken further to improve financial procedures and, finally, to develop a program of planned capital expenditures.

Housing for Displaced Families

The problem of relocation was really no problem at all in this particular situation, although in some cities this has been one of the most difficult requirements in setting up a workable program. For many years there has been a certain amount of looseness in the housing market in Douglas (there were 208 vacant units at the time the program was begun). In addition, there is a housing authority that op-

erates 110 units. The only difficulty encountered was the fact that a relatively large percentage of the nonwhite units were substandard, which set a closer limit on the amount of shifting that could be done with this group.

Citizen Participation

In the area of citizen participation, a city like Douglas really has a simpler problem than a large metropolitan area because there is a strong tendency to have an "everyone-knows-everyone" type of situation. It should be said to the credit of the city that it did not rely on this type of random communication.

In brief outline, the following steps were taken. A pamphlet was prepared and distributed to every householder in the project area to explain the how and why of the urban renewal project. "Block meetings" were held to discuss the particular problems of that particular area. A Negro advisory committee was set up for detailed discussions of the personal problems involved in moving families, rebuilding churches, and related problems.

Eventually the number of pamphlets was expanded to a total of three, which took the form of progress reports, and these were of great assistance in bringing the citizens of Douglas to regard the project as something of which they personally were a part.

Results

This was a comprehensive plan with the attraction of industry and the location of industry as only part of a greater whole, but the objective has been better achieved than in many communities in which this was the only objective. Since the beginning of 1958 Douglas has been adding new industries at the rate of approximately one a month. These new industries are well-diversified and are of good capital structure. Examples are a large poultry processing plant, constructed at a cost of more than half a million dollars; a commercial candy factory; and a plant for constructing house trailers.

Recently Douglas has purchased outright a large tract of land (about 400 acres) to the south of the city for an expansion of the industrial area and airport facilities.

While there are no direct quotations except as noted, the writer wishes to express his appreciation to the following: Mr. Harry Adley, one of the original consultants on the project; Mr. Lewis Cook, planning director of the city of Douglas; Mr. Chitty of the Douglas Chamber of Commerce; and the city of Douglas in providing a copy of the pamphlet entitled "Looking Over Douglas' Shoulder,"¹ which describes its demonstration project.

[End]

1. This booklet is the published report of the demonstration project which was jointly financed by the city of Douglas and the Federal government. Copies of this report or additional information regarding the project may be obtained by contacting the author, c/o Atlanta Economic Review.

HOW TO DEVELOP CREATIVITY IN SALES PERSONNEL

(Continued from page 11)

major selling point and visualize it five different ways.

A wonderful by-product of training in visualization is that the more a salesman practices visualization, the more enthusiastic he becomes. He sells himself on what he is selling. He becomes more excited.

3. *Train the man to train himself.* In this day of mass training, new training aids, training specialists, and "advanced" training techniques, we too easily overlook the best training "device" of all, the **man himself**. Truly successful persons, whether in selling, management, or in any other activity, are "self-made" individuals in the sense that they have informally trained themselves over an extended period.

Mr. Ralph J. Cordiner, Chairman of the Board of General Electric, made this comment applicable not only to salesmen but to all types of creative personnel:

"... we need from every man who aspires to leadership — for himself and his company — a determination to undertake a personal program of self-development. Nobody is going to **order** a man to develop... Whether a man lags behind or moves ahead in his specialty is a matter of his own personal application."⁵

To be sure, most successful persons have received help, advice, and pointers from others. But, and this is very significant, the successful person has integrated the assistance of others into his own personal program for advancement.

A machine can be built to function in a desired way, but a man cannot be trained to function exactly as we want him to function. To make the point more conclusive, review some of the things which a salesman cannot be trained to do, things which the salesman himself must accomplish if he is to think imaginatively:

- A. A man cannot be trained to have high morale.
- B. A man cannot be trained to have positive attitudes.
- C. A man cannot be trained to have ambition.
- D. A man cannot be trained to become more cooperative.

What can be done, however, is to provide training which encourages the man to train himself in attitude development and control. That is, sales managers can supply guidance and assistance toward training the salesman in the **why** and **how** of self-management, self-development, self-motivation, and growth. When a salesman really feels he is training himself, he will eagerly add to his knowledge and improve his skills in locating new needs and new business opportunities. He will search for ways to make each presentation more effective than the one before. He will become his own best critic. He will

5. *Responsibilities of Business Leadership*, published by General Electric, 1954, p. 18.

come to his sales manager with intelligent questions, not with excuses for mediocre performance. He will develop his inherent power to think creatively.

4. *Stress off-the-job mind refreshment.* Millions of people are diet conscious. Medical research has pointed out that the body reflects the diet it is fed. Physical stamina, resistance to diseases, body size, even how long one lives are all closely related to what one eats. The body is what the body is fed. By the same token, the mind is what the mind is fed.

What happens between 6:00 p.m. and 9:00 a.m. sooner or later is certain to affect what happens between 9:00 a.m. and 6:00 p.m. Men who use their "off time" constructively generally reflect this in increased productivity on the job.

In our culture, home life and job life are rightfully separated. No executive has the right to dictate how his salesmen should behave during their free time. Nevertheless, it seems perfectly in order—in fact highly desirable—for the individual's benefit as well as for the company's interest that sales executives encourage salesmen to upgrade their psychological diet.

One practice that is highly recommended is enrolling salesmen, at company expense, in a salesman's book club. Prentice-Hall, the well-known publishing house, pioneered in this area and now has tens of thousands of salesmen as regular members of its salesman's book club. The purchase of national business and selling publications also appears to be a stimulating practice. Books and periodicals cost surprisingly little, yet they serve the function of helping the salesman become idea conscious.

Another, and perhaps the most worthwhile, approach to upgrade sales manpower is to encourage resident salesmen (with partial or full financial sponsorship) to enroll in the evening programs of nearby colleges and universities. In most urban centers there are advanced educational institutions that provide extensive offerings in marketing, psychology, speech, and various social sciences. Courses in areas such as these can be of distinct value in the development of sales personnel whether or not the individual already has or intends to earn a degree. Some larger schools, such as Georgia State College of Business Administration, also provide education for specialized types of sales personnel in fields such as insurance and real estate.

Professional educators, naturally, can be expected to be somewhat prejudiced in their appraisals of the values of education to mature persons. Yet, many

of those who participate regularly in college evening programs are thoroughly convinced of its merits. One salesman, a family man in his early thirties and a graduate engineer, recently said, "I know of nothing I could be doing with my spare time that does as much to make me feel I'm developing. It gives me a chance to keep my mind all tuned up."

The Challenge

The surest competitive weapon a sales organization can have is superior manpower. Today it isn't so much "product versus product" as it is "man versus man." The essential difference between two competing salesmen or between two salesmen in the same organization is likely **not** to be age, education, experience, or native intelligence. Rather, the wide gap in performance between two salesmen is usually found in differences in attitudes. Attitudes in turn are reflected in the salesman's ability to spark himself to think creatively.

The challenge today in training salesmen is to develop the whole man through helping him to learn how he can train himself to think creatively, to think and act positively, to build and maintain his own morale, to develop self-reliance, and to build on the basic fundamentals provided him through the regular training effort. A question which warrants repetition is: "Are we doing all we can to build attitudes which cause men to develop their full potential?"

Selected Reading List

The books and periodicals listed below are particularly helpful in supplying information on how to develop creativity.

1. Osborn, A. F., *Applied Imagination*. New York: Charles Scribner's Sons, 1953.
2. Osborn, A. F., *Your Creative Power*. New York: Charles Scribner's Sons, 1948.
3. Flesch, Rudolf, *The Art of Clear Thinking*. New York: Harper and Brothers, 1951.
4. Strong, L., "Creativity in Industry," *Management Review*. Vol. 46; pp. 56-72, March, 1957.
5. Sartre, Jean-Paul, *The Psychology of Imagination*. New York: Charles Scribner's Sons, 1948.
6. *Adventures of the Inquiring Mind*. General Motors Corporation, Detroit, 1957.
7. Prevette, Earl, *The Power of Creative Selling*. Englewood Cliffs, N. J.: Prentice-Hall, Inc., 1954.

Only 7 per cent of the land area, or 2 per cent of the total surface of our planet, is fully suited to agricultural production, notes a report of the Twentieth Century Fund. When the earth does not meet their requirements, tillers of the soil must either compromise with the existing environment or try to change it. In many places, they grow food on poor soil, under unfavorable or difficult conditions.

Quoted from *Newsbriefs—A Clipsheet*,
The Twentieth Century Fund, Winter 1958

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RESEARCH PAPER NUMBER 7 AVAILABLE

RESEARCH PAPER NUMBER 7

**EMPLOYEES' ATTITUDES TOWARD UNIONIZATION, MANAGEMENT, AND FACTORY
CONDITIONS: A Case Study** . . . by Anthony Stampolis, Ph.D.

This research paper, based on a survey of 410 production employees in an automotive parts manufacturing plant, is a study of significant factors in labor-management relations.

Employees' attitudes regarding unionization have been related to their feelings toward their work conditions, such as wages, promotions, steadiness of employment, safety, lighting, etc., in an attempt to show which of the various job conditions appear to influence employees' attitudes toward unionization.

Single copies of Research Papers are available without charge. Make request to the Bureau of Business and Economic Research, School of Business Administration of Georgia State College of Business Administration, 33 Gilmer St., S. E., Atlanta 3, Georgia.